

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL**

FOR: HEALTH CARE FINANCING ADMINISTRATION

1. TRANSMITTAL NUMBER:

04-18

2. STATE

Louisiana

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE
SOCIAL SECURITY ACT (MEDICAID)

4. PROPOSED EFFECTIVE DATE

July 1, 2004

TO: REGIONAL ADMINISTRATOR
HEALTH CARE FINANCING ADMINISTRATION
DEPARTMENT OF HEALTH AND HUMAN SERVICES

5. TYPE OF PLAN MATERIAL (Check One):

☐ NEW STATE PLAN ☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN ☒ AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION:

42 CFR 436.601

7. FEDERAL BUDGET IMPACT:

a. FFY **2004** **\$0.00**

b. FFY **2005** **\$0.00**

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Supplement 8b Attachment 2.6-A, Page 1
Supplement 9 to Attachment 2.6-A, Page 1d

9. PAGE NUMBER OF THE SUPERSEDED PLAN
SECTION OR ATTACHMENT (If Applicable):

Same (TN 04-01)

Same (TN 03-09)

10. SUBJECT OF AMENDMENT: **The purpose of this amendment is to clarify the language for Medicaid eligibility – treatment of annuities.**

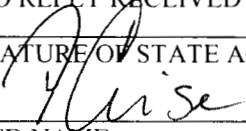
11. GOVERNOR'S REVIEW (Check One):

☐ GOVERNOR'S OFFICE REPORTED NO COMMENT
☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

☒ OTHER, AS SPECIFIED:

The Governor does not review state plan material.

12. SIGNATURE OF STATE AGENCY OFFICIAL:



13. TYPED NAME:

Frederick P. Cerise, M.D., M.P.H.

14. TITLE:

Secretary

15. DATE SUBMITTED:

September 27, 2004

16. RETURN TO:

State of Louisiana
Department of Health and Hospitals
1201 Capitol Access Road
PO Box 91030
Baton Rouge, LA 70821-9030

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED:

29 SEPTEMBER 2004

18. DATE APPROVED:

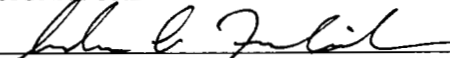
3 DECEMBER 2004

PLAN APPROVED – ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:

1 JULY 2004

20. SIGNATURE OF REGIONAL OFFICIAL:



21. TYPED NAME:

ANDREW A. FREDRICKSON

22. TITLE: **ASSOCIATE REGIONAL ADMINISTRATOR**
DIV OF MEDICAID & CHILDREN'S HEALTH

23. REMARKS:

STATE <u>Louisiana</u>	
DATE REC'D <u>9-29-04</u>	DATE APP'D <u>12-3-04</u>
DATE EFF <u>7-1-04</u>	HCFA 179 <u>04-18</u>

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: LOUISIANA

MORE LIBERAL METHODS OF TREATING RESOURCES
UNDER SECTION 1902 (r) (2) OF THE ACT*

☐ Section 1902 (f) State

☒ Non-Section 1902 (f) State

- 1) The Bureau of Health Services Financing eliminates the consideration of resources in determining Medicaid eligibility for the Low Income Families with Children and child related Medically Needy Programs.
- 2) An annuity meeting the criteria contained in Supplement 9 to Attachment 2.6-A, Page 1d, Item D, is not considered a resource in determining eligibility for individuals under 42 CFR 435.236.
- 3) The following will apply in the determination of Medicaid eligibility for the Medically Needy Program, Qualified Medicare Beneficiaries, Specified Low Income Beneficiaries, Qualified Individuals – I, TB infected individuals, and the special income level group (individuals in a medical institution for at least 30 consecutive days and individuals receiving home and community based waiver services for at least 30 consecutive days with gross income that does not exceed 300 percent of the SSI income standard):
 - a. The maximum burial fund exclusion will be increased to \$10,000.
 - b. The cash surrender value of life insurance and burial policies with a combined face value up to \$10,000 will be disregarded.
- 4) For Working Individuals – TWWIA Basic Coverage Group-
 - Legal spouse's share of community property and spouse's separate assets will be disregarded.
 - All life insurance policies will be disregarded.
 - Medical Savings accounts will be disregarded.
 - All retirement accounts will be disregarded, including private retirement accounts, such as IRA's and other individual accounts, and employer sponsored retirement accounts such as 401K plans, Keogh and employer pension plans

TN# 04-18
Supersedes
TN# 04-01

Approval Date 12-3-04

Effective Date 7-1-04

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: LOUISIANA

The above procedures in regard to trusts do not apply to trusts which provide that upon the death of such individual, the State will receive all amounts remaining in the trust up to an amount equal to the total medical assistance paid by Medicaid on behalf of the individual.

D. Annuities:

Effective January 1, 2003, the following shall govern annuities.

An annuity is defined as a contract or agreement by which one receives fixed, non variable payments on an investment for a lifetime or a specified number of years. An annuity containing a balloon payment will be considered an available resource. An annuity purchased by or for an individual using that individual's assets will be considered an available resource unless it meets all of the following criteria. The annuity:

1. is irrevocable;
2. pays out principal and interest in equal monthly installments (no balloon payment) to the individual in sufficient amounts that the principal is paid out within the actuarial life expectancy of the annuitant;
3. names the State of Louisiana, Department of Health and Hospitals or its successor agency as the primary and permanent residual beneficiary of funds remaining in the annuity, not to exceed any Medicaid funds expended on the individual during his lifetime; and
4. is issued by an insurer or other body licensed and approved to do business in the jurisdiction in which the annuity is established.

A	
STATE	Louisiana
DATE REC'D	9-29-04
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HCFA 179	04-18

Annuities issued before January 1, 2003 which do not provide for pay out of principal and interest in equal monthly installments and for which documentation is received from the issuing company that the "pay out" arrangements cannot be changed, will be considered to meet the new requirements once amended

TN# 04-18
Supersedes
TN# 03-09

Approval Date 12-3-04

Effective Date 7-1-04